

SENATE BILL 1980

By Stewart

AN ACT to amend Tennessee Code Annotated, Title 50,
Chapter 7, relative to revising employment security
law in order to meet requirements of the federal
"Unemployment Insurance Modernization Act."

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-7-218, is amended by deleting the section in its entirety and by substituting instead the following:

50-7-218. "Base year" with respect to each individual , means either the first four (4) of the last five (5) completed calendar quarters or the last four (4) completed calendar quarters immediately preceding the first day of the individual's benefit year. For the purposes of establishing a benefit year, the department shall initially use the first four (4) of the last five (5) calendar quarters as the base year. If a benefit year is not established using the first four (4) of the last (5) calendar quarters as the base year, the department shall use the last four (4) completed calendar quarters of the base year. Computations using the last four (4) completed calendar quarters shall be based on available wage items processed as of the close of business on the day preceding the date of application. The department shall promptly contact employers to request assistance in obtaining wage information for the last completed calendar quarter if it has not been reported at the time of initial application.

SECTION 2. Tennessee Code Annotated, Section 50-7-302(b), is amended by deleting the word "and" at the end of subdivision (3); by deleting the period at the end of subdivision (4) and substituting instead a semi-colon and the word "and"; and by adding the following language as a new subdivision to be designated as follows:

(5) No individual who is otherwise eligible, shall be deemed ineligible for benefits solely for the reason that the individual seeks, applies for or accepts only part-time work, instead of full-time work, if the part-time work is for at least twenty hours per week.

SECTION 3. Tennessee Code Annotated, Title 50, Chapter 7, Part 3, is amended by adding the following as a new section:

50-7-306.

(a) As used in this section, unless the context clearly requires otherwise:

(1) "Dislocated worker" means any individual who:

(A) Has been terminated or received a notice of termination from employment;

(B) Is eligible for or has exhausted entitlement to unemployment compensation benefits; and

(2)

(A) "Training program" means:

(i) An education program determined to be necessary as a prerequisite to vocational training after counseling at the education institution in which the individual enrolls under the individual's approved training program; or

(ii) A vocational training program at an educational institution:

(a) That is targeted to training for a high demand occupation. Beginning January 1, 2010, the assessment of high demand occupations authorized for training under this section must be substantially based on labor market and employment information developed by local work force

development councils, in cooperation with the employment security department and its labor market information division, under subsection (g);

(b) That is likely to enhance the individual's marketable skills and earning power; and

(c) That meets the criteria for performance developed by the work force training and education coordinating board for the purpose of determining those training programs eligible for funding under title 1 of P.L. 105-220 (Workforce Investment Act).

(B) "Training program" does not include any course of education primarily intended to meet the requirements of a baccalaureate or higher degree, unless the training meets specific requirements for certification, licensing, or for specific skills necessary for the occupation.

(b) Subject to availability of funds, training benefits are available for an individual who is eligible for or has exhausted entitlement to unemployment compensation benefits and who:

(1) Is a dislocated worker;

(2) Has demonstrated, through a work history, sufficient tenure in an occupation or in work with a particular skill set. This screening will take place during the assessment process;

(3) Is, after assessment of demand for the individual's occupation or skills in the individual's labor market, determined to need job-related training to find suitable employment in the individual's labor market. Beginning January 1, 2010, the assessment of demand for the individual's occupation or skill sets must be

substantially based on declining occupation or skill sets identified in local labor market areas by the local work force development councils, in cooperation with the employment security department and its labor market information division, under subsection (g);

(4) Develops an individual training program that is submitted to the commissioner for approval within sixty (60) days after the individual is notified by the department of the requirements of this section;

(5) Enters the approved training program by ninety (90) days after the date of the notification, unless the employment security department determines that the training is not available during the ninety-day period, in which case the individual enters training as soon as it is available; and

(6) Is enrolled in training approved under this section on a full-time basis as determined by the educational institution, and is making satisfactory progress in the training as certified by the educational institution.

(c) Benefits shall be paid as follows:

(1) For exhaustees who are eligible under subsection (b), the total training benefit amount shall be fifty-two (52) times the individual's weekly benefit amount, reduced by the total amount of regular benefits and extended benefits paid, or deemed paid, with respect to the benefit year;

(2) The weekly benefit amount shall be the same as the regular weekly amount payable during the applicable benefit year and shall be paid under the same terms and conditions as regular benefits. The training benefits shall be paid before any extended benefits but not before any similar federally funded program; and

(3) Training benefits are not payable for weeks more than two (2) years beyond the end of the benefit year of the regular claim.

(d) The requirement under § 50-7-305 relating to exhausting regular benefits does not apply to an individual otherwise eligible for training benefits under this section when the individual's benefit year ends before the individual's training benefits are exhausted and the individual is eligible for a new benefit year. These individuals will have the option of remaining on the original claim or filing a new claim.

(e) Individuals who receive training benefits under this section or under any previous additional benefits program for training are not eligible for training benefits under this section for five (5) years from the last receipt of training benefits under this section or under any previous additional benefits program for training.

(f) All base year employers are interested parties to the approval of training and the granting of training benefits.

(g) By January 1, 2010, each local work force development council, in cooperation with the employment security department and its labor market information division, must identify occupations and skill sets that are declining and occupations and skill sets that are in high demand. "High demand" means demand for employment that exceeds the supply of qualified workers for occupations or skill sets in a labor market area. Local work force development councils must use state and locally developed labor market information. Thereafter, each local work force development council shall update this information annually or more frequently if needed.

(h) The commissioner is authorized to promulgate rules and regulations in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 4. The provisions of this act shall be repealed on December 31, 2010, if the federal "Unemployment Insurance Modernization Act", does not become law during the 111th Congress.

SECTION 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 6. This act shall take effect July 1, 2009, the public welfare requiring it.